



# GAAP / Non-GAAP Reconciliations

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August 7, 2025



# Non-GAAP Financial Measures and Other Information

## Key References

**New product sales, new product launches or new product revenues:** Refers to revenue from new products launched in 2025 and the carryover impact of new products, including business development, launched within the last 12 months.

**Operational change:** Refers to constant currency percentage changes and is derived by translating amounts for the current period at prior year comparative period exchange rates, and in doing so shows the percentage change from 2025 constant currency net sales, total revenues, adjusted EBITDA, and adjusted EPS to the corresponding amount in the prior year.

**Divestiture-adjusted operational change:** Refers to operational changes, further adjusted for the impact of the proportionate results from the divestitures that closed in 2024, from the 2024 period by excluding such net sales or revenues from those divested businesses from comparable prior periods. Also, for adjusted EBITDA and adjusted EPS, refers to operational changes, adjusted as outlined in the previous sentence and further adjusted for associated net other income.

**Closed divestitures or divestitures closed in 2024:** Refers to the divestiture of the Company's rights to two women's healthcare products in the U.K. that closed in August 2024, the divestitures of the commercialization rights in the majority of the Upjohn Distributor markets that closed in 2024, the divestiture of the women's healthcare business that closed in March 2024, the divestiture of the API business in India that closed in June 2024, and the divestiture of the OTC business that closed in July 2024.

**Transaction-related Costs:** Refers to acquisition and divestiture-related costs, consisting primarily of legal and consulting fees and integration activities, and associated taxes.

**Indore Impact:** Refers to the estimated negative financial impact on 2025 total revenues and (loss) earnings from operations versus the comparable 2024 periods as a result of the FDA issued warning letter and import alert related to our oral finished dose manufacturing facility in Indore, India.

**SG&A and R&D TSA Reimbursement and DSA Reimbursement:** Expenses related to TSA services provided for divested businesses are recorded in their respective functional line item. However, reimbursement of those expenses plus any mark-up is included in other expense (income), net. For comparability purposes, amounts related to the cost reimbursement were reclassified to adjusted SG&A and adjusted R&D during the first quarter of 2024, primarily related to the contribution of the biosimilars business to Biocon Biologics Limited ("Biocon Biologics") in November 2022. This reclassification had no impact on adjusted net earnings, adjusted EBITDA or adjusted EPS. Any TSA reimbursement and DSA reimbursement amounts related to the closed divestitures are not direct offsets to operational expense and have not been reclassified.

## Non-GAAP Financial Measures

This presentation includes the presentation and discussion of certain financial information that differs from what is reported under accounting principles generally accepted in the United States ("U.S. GAAP"). These non-GAAP financial measures, including, but not limited to, adjusted EBITDA, free cash flow, free cash flow excluding transaction-related costs, adjusted EPS, adjusted gross margin, adjusted gross profit, 2024 adjusted total revenues excluding divestitures, 2024 adjusted net sales excluding divestitures, adjusted SG&A and as a percentage of total revenues, adjusted R&D and as a percentage of total revenues, adjusted net earnings, adjusted effective tax rate, adjusted earnings from operations, adjusted interest expense, adjusted other income, net, constant currency total revenues, constant currency net sales, divestiture-adjusted change, divestiture-adjusted operational change, divestiture-adjusted operational change ex Indore, notional debt, gross leverage ratio and long-term gross leverage ratio target, are presented in order to supplement investors' and other readers' understanding and assessment of the financial performance of Viatris Inc. ("Viatris" or the "Company"). Free cash flow refers to U.S. GAAP net cash provided by operating activities, less capital expenditures. Adjusted EBITDA margins refers to adjusted EBITDA divided by total revenues. Adjusted EPS refers to adjusted net earnings divided by the weighted average number of diluted shares of common stock outstanding. Viatris has provided reconciliations of such non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures. Investors and other readers are encouraged to review the related U.S. GAAP financial measures and the reconciliations of the non-GAAP measures to their most directly comparable U.S. GAAP measures set forth in this presentation or on our website at <https://investor.viatris.com/financial-information/non-gaap-reconciliations>, and investors and other readers should consider non-GAAP measures only as supplements to, not as substitutes for or as superior measures to, the measures of financial performance prepared in accordance with U.S. GAAP.

## 2025 Guidance

The Company is not providing forward-looking guidance for U.S. GAAP net earnings (loss) or U.S. GAAP diluted earnings (loss) per share (EPS) or a quantitative reconciliation of its 2025 adjusted EBITDA or adjusted EPS guidance to the most directly comparable U.S. GAAP measures, U.S. GAAP net earnings (loss) or U.S. GAAP diluted EPS, respectively, because it is unable to predict with reasonable certainty the ultimate outcome of certain significant items, including integration, acquisition and divestiture-related expenses, restructuring expenses, asset impairments, litigation settlements, and other contingencies, such as changes to contingent consideration, acquired IPR&D and certain other gains or losses, including for the fair value accounting for non-marketable equity investments, as well as related income tax accounting, because certain of these items have not occurred, are out of the Company's control and/or cannot be reasonably predicted without unreasonable effort. These items are uncertain, depend on various factors, and could have a material impact on U.S. GAAP reported results for the guidance period.

Note: Certain amounts in this presentation may not add up due to rounding. All percentages have been calculated using unrounded amounts.



Viatriis Inc. and Subsidiaries | Reconciliation of Non-GAAP Financial Measures (Unaudited; in millions, except Adjusted EPS)  
**Full Year 2025 Financial Guidance Items as of August 7, 2025<sup>(1)</sup>**

	GAAP	Non-GAAP
Total Revenues	\$13,500 - \$14,000	N/A
Adjusted EBITDA	N/A	\$3,890 - \$4,190
Net Cash provided by Operating Activities	\$2,200 - \$2,500	N/A
Free Cash Flow	N/A	\$1,800 - \$2,200
Adjusted EPS	N/A	\$2.16 - \$2.30

For key references and non-GAAP measures, see slide 2

(1) 2025 financial guidance and key metrics as provided as of August 7, 2025 exclude the impact of transaction-related costs. Also excludes any acquired IPR&D for unsigned deals to be incurred in any future period as it cannot be reasonably forecasted. 2025 financial guidance and key metrics do not include any potential adverse impacts from future tariffs and trade restrictions.

# Reconciliation of Estimated 2025 U.S. GAAP Net Cash Provided by Operating Activities to Free Cash Flow as of August 7, 2025<sup>(1)</sup>

Estimated U.S. GAAP Net Cash provided by Operating Activities	\$2,200 - \$2,500
Less: Capital Expenditures	<u>(\$300) - (\$400)</u>
Free Cash Flow	\$1,800 - \$2,200

For key references and non-GAAP measures, see slide 2

(1) Excludes the impact of any transaction-related costs.



Viatrix Inc. and Subsidiaries | Reconciliation of Non-GAAP Financial Measures (Unaudited; in millions, except Adjusted EPS)  
**Full Year 2025 Financial Guidance Items as of May 8, 2025<sup>(1)</sup>**

	GAAP	Non-GAAP
Total Revenues	\$13,500 - \$14,000	N/A
Adjusted EBITDA	N/A	\$3,890 - \$4,190
Net Cash provided by Operating Activities	\$2,200 - \$2,500	N/A
Free Cash Flow	N/A	\$1,800 - \$2,200
Adjusted EPS	N/A	\$2.16 - \$2.30

For key references and non-GAAP measures, see slide 2

(1) 2025 financial guidance and key metrics as provided as of May 8, 2025 excluded the impact of transaction-related costs. Also excluded any acquired IPR&D for unsigned deals to be incurred in any future period as it could not be reasonably forecasted. 2025 financial guidance and key metrics did not include any potential adverse impacts from future tariffs and trade restrictions, which we were unable to predict and could have been material.

# Reconciliation of Estimated 2025 U.S. GAAP Net Cash Provided by Operating Activities to Free Cash Flow as of May 8, 2025<sup>(1)</sup>

Estimated U.S. GAAP Net Cash provided by Operating Activities	\$2,200 - \$2,500
Less: Capital Expenditures	<u>(\$300) - (\$400)</u>
Free Cash Flow	\$1,800 - \$2,200

For key references and non-GAAP measures, see slide 2

(1) Excluded the impact of any transaction-related costs.



# U.S. GAAP Net Loss to Adjusted Net Earnings and U.S. GAAP Diluted Loss Per Share to Adjusted EPS

	Three Months Ended				Six Months Ended			
	June 30,		June 30,		June 30,		June 30,	
	2025	2024	2025	2024	2025	2024	2025	2024
U.S. GAAP net loss and U.S. GAAP diluted loss per share.....	\$ (4.6)	\$ —	\$ (326.4)	\$ (0.27)	\$ (3,046.6)	\$ (2.58)	\$ (212.5)	\$ (0.18)
Purchase accounting amortization (primarily included in cost of sales) .....	597.8	709.9	1,181.3	1,321.6				
Impairment of goodwill (a).....	-	321.0	2,936.8	321.0				
Litigation settlements and other contingencies, net.....	(47.6)	131.0	(121.1)	207.8				
Interest expense (primarily amortization of premiums and discounts on long term debt).....	(9.5)	(3.2)	(18.7)	(14.4)				
Loss on divestitures of businesses (included in other expense (income), net) (b).....	43.8	258.8	80.7	188.4				
Acquisition and divestiture-related costs (primarily included in SG&A) (c).....	53.7	105.1	94.4	192.6				
Restructuring costs (d).....	26.6	21.1	119.5	40.7				
Share-based compensation expense.....	37.1	34.7	92.3	81.4				
Other special items included in:								
Cost of sales (e).....	59.1	19.1	100.7	47.3				
Research and development expense.....	1.4	0.4	2.1	2.8				
Selling, general and administrative expense.....	30.1	11.5	47.7	27.6				
Other expense (income), net (f).....	304.6	(233.7)	406.0	(278.2)				
Tax effect of the above items and other income tax related items (g).....	(366.5)	(222.8)	(548.8)	(286.9)				
Adjusted net earnings and adjusted EPS.....	\$ 726.0	\$ 0.62	\$ 826.5	\$ 0.69	\$ 1,326.3	\$ 1.11	\$ 1,639.2	\$ 1.36
Weighted average diluted shares outstanding.....	1,176.8	1,197.7	1,189.9	1,203.6				

- (a) For the six months ended June 30, 2025, includes goodwill impairment charges of \$2.9 billion as a result of the interim goodwill impairment test performed as of March 31, 2025.
- (b) For the three and six months ended June 30, 2025, consists of pre-tax charges related to the divestitures primarily due to an increase in estimated transaction related costs, including the assumption of additional contractual obligations, as well as the impact of working capital and other transaction-related adjustments.
- (c) Acquisition and divestiture-related costs consist primarily of transaction costs including legal and consulting fees and integration activities.
- (d) For the three and six months ended June 30, 2025, charges include approximately \$11.3 million and \$31.1 million, respectively, in cost of sales, approximately \$1.4 million and \$2.2 million, respectively, in R&D, and approximately \$14.0 million and \$86.3 million, respectively, in SG&A.
- (e) For the three and six months ended June 30, 2025, charges include incremental manufacturing variances at plants slated for sale or closure or undergoing remediation activities of approximately \$36.7 million and \$68.4 million, respectively.
- (f) For the three and six months ended June 30, 2025, includes a loss of approximately \$284.0 million and \$399.8 million, respectively, as a result of remeasuring the compulsory convertible preferred shares in Biocon Biologics to fair value.
- (g) Adjusted for changes for uncertain tax positions.

# U.S. GAAP Net Loss to EBITDA and Adjusted EBITDA

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
U.S. GAAP net loss.....	\$ (4.6)	\$ (326.4)	\$ (3,046.6)	\$ (212.5)
Add / (deduct) adjustments:				
Income tax (benefit) provision.....	(212.5)	(65.4)	(267.5)	25.3
Interest expense (a).....	116.6	145.8	232.1	284.2
Depreciation and amortization (b).....	678.3	786.3	1,343.0	1,477.3
EBITDA.....	\$ 577.8	\$ 540.3	\$ (1,739.0)	\$ 1,574.3
Add / (deduct) adjustments:				
Share-based compensation expense	37.1	34.7	92.3	81.4
Litigation settlements and other contingencies, net.....	(47.6)	131.0	(121.1)	207.8
Loss on divestitures of businesses.....	43.8	258.8	80.7	188.4
Impairment of goodwill.....	-	321.0	2,936.8	321.0
Restructuring, acquisition and divestiture-related and other special items (c).....	467.7	(77.9)	752.6	28.4
Adjusted EBITDA.....	\$ 1,078.8	\$ 1,207.9	\$ 2,002.3	\$ 2,401.3

(a) Includes amortization of premiums and discounts on long-term debt.

(b) Includes purchase accounting related amortization.

(c) See items detailed in the Reconciliation of U.S. GAAP Net (Loss) Earnings to Adjusted Net Earnings.

# Summary of Total Revenues by Segment – Q2 2025

	Three Months Ended June 30,									
	2025	2024	% Change	2025 Currency Impact (1)	2025 Constant Currency Revenues	Constant Currency % Change (2)	Closed Divestitures (3)	2024 Adjusted Ex Divestitures (4)	Divestiture- Adjusted Operational Change (5)	
Net sales										
Developed Markets .....	\$ 2,119.3	\$ 2,319.2	(9)%	\$ (60.8)	\$ 2,058.5	(11)%	\$ 174.8	\$ 2,144.4	(4)%	
Greater China.....	588.9	539.0	9 %	(0.3)	588.6	9 %	-	539.0	9 %	
JANZ.....	305.7	349.6	(13)%	(4.7)	301.0	(14)%	11.0	338.6	(11)%	
Emerging Markets .....	555.1	578.1	(4)%	4.3	559.4	(3)%	26.4	551.7	1 %	
Total net sales.....	\$ 3,569.0	\$ 3,785.9	(6)%	\$ (61.5)	\$ 3,507.5	(7)%	\$ 212.2	\$ 3,573.7	(2)%	
Other revenues (6).....	13.1	10.7	NM	(0.3)	12.8	NM	0.6	10.1	NM	
Consolidated total revenues (7)..	\$ 3,582.1	\$ 3,796.6	(6)%	\$ (61.8)	\$ 3,520.3	(7)%	\$ 212.8	\$ 3,583.8	(2)%	

(1) Currency impact is shown as unfavorable (favorable).

(2) The constant currency percentage change is derived by translating net sales or revenues for the current period at prior year comparative period exchange rates, and in doing so shows the percentage change from 2025 constant currency net sales or revenues to the corresponding amount in the prior year.

(3) Represents proportionate net sales relating to divestitures that closed during 2024 in the relevant period.

(4) Represents U.S. GAAP net sales minus proportionate net sales relating to divestitures that closed during 2024 for the relevant period.

(5) See Key References on slide 2.

(6) For the three months ended June 30, 2025, other revenues in Developed Markets, JANZ, and Emerging Markets were approximately \$10.3 million, \$1.0 million, and \$1.8 million, respectively.

(7) Amounts exclude intersegment revenue which eliminates on a consolidated basis.

# Summary of Total Revenues by Segment – H1 2025

	Six Months Ended June 30,									
	2025	2024	% Change	2025 Currency Impact (1)	2025 Constant Currency Revenues	Constant Currency % Change (2)	Closed Divestitures (3)	2024 Adjusted Ex Divestitures (4)	Divestiture- Adjusted Operational Change (5)	
Net sales										
Developed Markets .....	\$ 4,011.0	\$ 4,484.6	(11)%	\$ (27.5)	\$ 3,983.5	(11)%	\$ 354.5	\$ 4,130.1	(4)%	
Greater China.....	1,144.4	1,082.9	6 %	11.6	1,156.0	7 %	0.5	1,082.4	7 %	
JANZ.....	581.8	667.4	(13)%	7.5	589.3	(12)%	20.8	646.6	(9)%	
Emerging Markets .....	1,075.0	1,204.5	(11)%	32.0	1,107.0	(8)%	73.8	1,130.7	(2)%	
Total net sales.....	\$ 6,812.2	\$ 7,439.4	(8)%	\$ 23.6	\$ 6,835.8	(8)%	\$ 449.6	\$ 6,989.8	(2)%	
Other revenues (6).....	24.2	20.6	NM	(0.2)	24.0	NM	2.4	18.2	NM	
Consolidated total revenues (7)..	\$ 6,836.4	\$ 7,460.0	(8)%	\$ 23.4	\$ 6,859.8	(8)%	\$ 452.0	\$ 7,008.0	(2)%	

(1) Currency impact is shown as unfavorable (favorable).

(2) The constant currency percentage change is derived by translating net sales or revenues for the current period at prior year comparative period exchange rates, and in doing so shows the percentage change from 2025 constant currency net sales or revenues to the corresponding amount in the prior year.

(3) Represents proportionate net sales relating to divestitures that closed during 2024 in the relevant period.

(4) Represents U.S. GAAP net sales minus proportionate net sales relating to divestitures that closed during 2024 for the relevant period.

(5) See Key References on slide 2.

(6) For the six months ended June 30, 2025, other revenues in Developed Markets, JANZ, and Emerging Markets were approximately \$17.2 million, \$2.0 million, and \$5.0 million, respectively.

(7) Amounts exclude intersegment revenue which eliminates on a consolidated basis.

# Key Product Net Sales, on a Consolidated Basis

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
<b>Select Key Global Products</b>				
Lipitor ®	\$ 387.9	\$ 348.4	\$ 775.9	\$ 737.3
Norvasc ®	182.7	161.9	355.0	338.2
EpiPen ® Auto-Injectors	136.8	115.5	233.5	195.7
Lyrica ®	128.1	124.3	240.7	238.5
Viagra ®	100.3	106.1	198.8	206.8
Creon ®	91.4	78.2	173.8	153.2
Celebrex ®	70.0	72.2	133.4	144.4
Effexor ®	63.1	62.7	122.4	122.1
Zoloft ®	61.1	58.9	121.3	116.9
Xalabrand	40.7	45.6	77.8	88.1
<b>Select Key Segment Products</b>				
Yupelri ®	\$ 66.6	\$ 54.5	\$ 124.9	\$ 109.7
Dymista ®	48.4	55.0	91.2	103.2
Amitiza ®	41.6	36.9	74.9	69.9
Xanax ®	33.9	35.4	66.2	69.9

(a) The Company does not disclose net sales for any products considered competitively sensitive.

(b) Products disclosed may change in future periods, including as a result of seasonality, competition or new product launches.

(c) Amounts for the three and six months ended June 30, 2025 include the impact of foreign currency translations compared to the prior year period.

# Cost of Sales

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
U.S. GAAP cost of sales.....	\$ 2,249.2	\$ 2,351.2	\$ 4,342.3	\$ 4,510.6
Deduct:				
Purchase accounting amortization and other related items.....	(597.8)	(709.9)	(1,181.3)	(1,321.4)
Acquisition and divestiture-related costs.....	(26.4)	(17.0)	(38.6)	(23.3)
Restructuring costs.....	(11.3)	(11.6)	(31.1)	(15.6)
Share-based compensation expense.....	(0.9)	(0.9)	(2.2)	(1.7)
Other special items, including restructuring related costs.....	(59.1)	(19.1)	(100.7)	(47.3)
Adjusted cost of sales.....	<u>\$ 1,553.7</u>	<u>\$ 1,592.7</u>	<u>\$ 2,988.4</u>	<u>\$ 3,101.3</u>
Adjusted gross profit (a).....	<u>\$ 2,028.4</u>	<u>\$ 2,203.9</u>	<u>\$ 3,848.0</u>	<u>\$ 4,358.7</u>
Adjusted gross margin (a).....	<u>57%</u>	<u>58%</u>	<u>56%</u>	<u>58%</u>

(a) U.S. GAAP gross profit is calculated as total revenues less U.S. GAAP cost of sales. U.S. GAAP gross margin is calculated as U.S. GAAP gross profit divided by total revenues. Adjusted gross profit is calculated as total revenues less adjusted cost of sales. Adjusted gross margin is calculated as adjusted gross profit divided by total revenues.

# SG&A

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
U.S. GAAP SG&A (a).....	\$ 928.7	\$ 1,037.0	\$ 1,876.8	\$ 2,054.5
Deduct:				
Acquisition and divestiture-related costs.....	(24.7)	(84.9)	(52.5)	(161.4)
Restructuring costs.....	(14.0)	(8.5)	(86.3)	(24.1)
Purchase accounting amortization and other related items.....	-	(0.1)	-	(0.2)
Share-based compensation expense.....	(33.9)	(32.2)	(85.6)	(76.1)
SG&A and R&D TSA reimbursement (b).....	-	-	-	(5.7)
Other special items and reclassifications.....	(30.1)	(11.5)	(47.7)	(27.6)
Adjusted SG&A.....	<u>\$ 826.0</u>	<u>\$ 899.8</u>	<u>\$ 1,604.7</u>	<u>\$ 1,759.4</u>
Adjusted SG&A as % of total revenues.....	<u>23%</u>	<u>24%</u>	<u>23%</u>	<u>24%</u>

(a) Certain reclassifications were made to conform the prior period consolidated financial statements to the current period presentation. Charges related to the impairment of goodwill, which were previously presented in SG&A, are now presented in Impairment of Goodwill in the condensed consolidated statements of operations.

(b) See SG&A and R&D TSA Reimbursement on slide 2.

# R&D

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
U.S. GAAP R&D.....	\$ 218.8	\$ 204.1	\$ 440.8	\$ 403.8
Deduct:				
Acquisition and divestiture-related costs.....	(2.6)	(3.1)	(3.3)	(7.7)
Restructuring costs.....	(1.4)	(1.0)	(2.2)	(1.0)
Share-based compensation expense.....	(2.2)	(1.8)	(4.5)	(3.7)
SG&A and R&D TSA reimbursement (a).....	-	-	-	(1.7)
Other special items.....	(1.4)	(0.4)	(2.1)	(2.8)
Adjusted R&D.....	\$ 211.2	\$ 197.8	\$ 428.7	\$ 386.9
Adjusted R&D as % of total revenues.....	6%	5%	6%	5%

(a) See SG&A and R&D TSA Reimbursement on slide 2.

# Total Operating Expenses

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
U.S. GAAP total operating expenses.....	\$ 1,099.9	\$ 1,685.3	\$ 5,143.3	\$ 2,985.4
Add / (Deduct):.....				
Litigation settlements and other contingencies, net.....	47.6	(131.0)	121.1	(207.8)
R&D adjustments.....	(7.6)	(6.3)	(12.1)	(16.9)
SG&A adjustments (a).....	(102.7)	(137.2)	(272.1)	(295.1)
Impairment of goodwill adjustments.....	-	(321.0)	(2,936.8)	(321.0)
Adjusted total operating expenses.....	<u>\$ 1,037.2</u>	<u>\$ 1,089.8</u>	<u>\$ 2,043.4</u>	<u>\$ 2,144.6</u>
Adjusted earnings from operations (b).....	<u>\$ 991.2</u>	<u>\$ 1,114.1</u>	<u>\$ 1,804.6</u>	<u>\$ 2,214.1</u>

(a) Certain reclassifications were made to conform the prior period consolidated financial statements to the current period presentation. Charges related to the impairment of goodwill, which were previously presented in SG&A, are now presented in Impairment of Goodwill in the condensed consolidated statements of operations.

(b) U.S. GAAP earnings from operations is calculated as U.S. GAAP gross profit less U.S. GAAP total operating expenses. Adjusted earnings from operations is calculated as adjusted gross profit less adjusted total operating expenses.

# Interest Expense

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
U.S. GAAP interest expense.....	\$ 116.6	\$ 145.8	\$ 232.1	\$ 284.2
Add / (Deduct):				
Accretion of contingent consideration liability.....	(1.2)	(9.5)	(2.4)	(11.2)
Amortization of premiums and discounts on long-term debt.....	11.4	13.5	22.4	27.3
Other special items.....	(0.7)	(0.9)	(1.3)	(1.8)
Adjusted interest expense.....	\$ 126.1	\$ 148.9	\$ 250.8	\$ 298.5

## Other Expense (Income), Net

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
U.S. GAAP other expense (income), net.....	\$ 333.5	\$ 6.1	\$ 432.8	\$ (133.0)
Add / (Deduct):				
Fair value adjustments on non-marketable equity investments.....	(284.0)	248.8	(399.8)	295.7
SG&A and R&D TSA reimbursement (a).....	-	-	-	7.4
Loss on divestitures of businesses.....	(43.8)	(258.8)	(80.7)	(188.4)
Other items.....	(20.5)	(14.8)	(6.1)	(17.4)
Adjusted other income, net.....	\$ (14.8)	\$ (18.7)	\$ (53.8)	\$ (35.7)

(a) See SG&A and R&D TSA Reimbursement on slide 2.

# Loss Before Income Taxes and Income Tax (Benefit) Provision

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
U.S. GAAP loss before income taxes.....	\$ (217.1)	\$ (391.8)	\$ (3,314.1)	\$ (187.2)
Total pre-tax non-GAAP adjustments.....	1,097.1	1,375.8	4,921.8	2,138.7
Adjusted earnings before income taxes.....	\$ 880.0	\$ 984.0	\$ 1,607.7	\$ 1,951.5
U.S. GAAP income tax (benefit) provision.....	\$ (212.5)	\$ (65.4)	\$ (267.5)	\$ 25.3
Adjusted tax expense.....	366.5	222.8	548.8	286.9
Adjusted income tax provision.....	\$ 154.0	\$ 157.4	\$ 281.3	\$ 312.2
Adjusted effective tax rate.....	17.5%	16.0%	17.5%	16.0%

# Free Cash Flow and Free Cash Flow Excluding Transaction-related Costs

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
U.S. GAAP net cash provided by operating activities.....	\$ 219.7	\$ 379.1	\$ 755.2	\$ 993.7
Capital expenditures.....	(52.9)	(58.8)	(95.5)	(108.6)
Free cash flow.....	\$ 166.8	\$ 320.3	\$ 659.7	\$ 885.1
Acquisition and divestiture-related transaction costs and taxes.....	73.8	106.1	116.3	189.6
Free cash flow excluding transaction costs and taxes.....	\$ 240.6	\$ 426.4	\$ 776.0	\$ 1,074.7

# Gross Leverage - Debt to Adjusted EBITDA

Gross Leverage Ratio is the ratio of Viatriis' total debt at notional amounts at June 30, 2025 to the sum of Viatriis' adjusted EBITDA for the quarters ended September 30, 2024, December 31, 2024, March 31, 2025, and June 30, 2025.

	Three Months Ended				Twelve Months Ended
	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025	June 30, 2025
Adjusted EBITDA.....	\$ 1,284.6	\$ 983.5	\$ 923.5	\$ 1,078.8	\$ 4,270.4
Reported debt balances:					
Long-term debt, including current portion.....					14,464.7
Short-term borrowings and other current obligations.....					1.6
Total.....					\$ 14,466.3
Add / (deduct):					
Net premiums on various debt issuances.....					(472.5)
Deferred financing fees.....					22.7
Total debt at notional amounts.....					\$ 14,016.5
Gross debt to adjusted EBITDA.....					3.3 x

## Long-term Gross Leverage Target

The stated forward-looking non-GAAP financial measure of long-term gross leverage target of ~3.0x, with a range of 2.8x – 3.2x, is based on the ratio of (i) targeted notional gross debt and (ii) targeted adjusted EBITDA. However, the Company has not quantified future amounts to develop this target but has stated its goal to manage notional gross debt and adjusted EBITDA over time in order to generally maintain or reach the target. This target does not reflect Company guidance.

## Net (Loss) Earnings to EBITDA and Adjusted EBITDA – Last Twelve Months

	<b>Three Months Ended</b>			
	<b>September 30, 2024</b>	<b>December 31, 2024</b>	<b>March 31, 2025</b>	<b>June 30, 2025</b>
U.S. GAAP net (loss) earnings.....	\$ 94.8	\$ (516.5)	\$ (3,042.0)	\$ (4.6)
Add / (deduct) adjustments:				
Income tax (benefit) provision.....	(4.3)	(10.0)	(55.0)	(212.5)
Interest expense (a).....	145.6	120.2	115.5	116.6
Depreciation and amortization (b).....	669.7	746.2	664.7	678.3
EBITDA.....	\$ 905.8	\$ 339.9	\$ (2,316.8)	\$ 577.8
Add / (deduct) adjustments:				
Share-based compensation expense.....	32.4	32.3	55.2	37.1
Litigation settlements and other contingencies, net.....	31.5	111.6	(73.5)	(47.6)
Loss on divestitures of businesses.....	107.4	103.6	36.9	43.8
Impairment of goodwill.....	-	-	2,936.8	-
Restructuring, acquisition and divestiture-related and other special items.....	207.5	396.1	284.9	467.7
Adjusted EBITDA.....	\$ 1,284.6	\$ 983.5	\$ 923.5	\$ 1,078.8

(a) Includes amortization of premiums and discounts on long-term debt.

(b) Includes purchase accounting related amortization.